



REPLACEMENT

COUNCIL AGENDA: 09-16-08
ITEM: 2.6

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 09-05-08

Approved:

Deanna J. Allen

Date:

9/5/08

COUNCIL DISTRICT: 3

SNI: Five Wounds/Brookwood
Terrace

SUBJECT: AMENDMENT TO THE AGREEMENT WITH GOULD EVANS BAUM THORNLEY, INC. FOR ARCHITECTURAL SERVICES FOR THE EAST SAN JOSE CARNEGIE BRANCH LIBRARY PROJECT

REASON FOR REPLACEMENT

In February 1, 2008, Gould Evans, Inc. (GBI) merged with Baum Thornley Architects LLP to form Gould Evans Baum Thornley, Inc.(GEBT). The memorandum submitted to Council, dated August 25, 2008, did not refer to GEBT by its new name.

RECOMMENDATION

Approval of the first amendment to the agreement with Gould Evans Baum Thornley, Inc. for architectural consultant services for the East San José Carnegie Branch Library Project expanding the scope of services, extending the term of the agreement from July 1, 2009 to January 31, 2010, and increasing the total compensation by \$237,000, from \$800,000 to an amount not to exceed \$1,037,000.

OUTCOME

Extending the agreement term will allow Gould Evans Baum Thornley, Inc.(GEBT), sufficient time to perform additional work needed to complete the project. Increasing the compensation is needed to pay for additional work already performed by GEBT, and additional work to be performed by GEBT in the future.

EXECUTIVE SUMMARY

The purpose of this memorandum is to recommend the approval of the amendment to the agreement with GEBT to extend the term and increase compensation for additional work that GEBT performed during the design phase and that it has performed and will continue to perform during the construction phase.

BACKGROUND

On June 27, 2006 Council approved an agreement with Gould Evans INC.(GEI) to provide architectural services for renovation and expansion of the existing East San José Carnegie Branch Library located at the 1102 East Santa Clara Street at the corner of 23rd Street. The Library is surrounded by commercial/residential properties to the East, residential properties to the South and West, and commercial retail and the Portuguese Community Center to the North along East Santa Clara Street (map attached). The former library consisted of a historic building constructed in 1907 and an annex constructed in 1981.

Design of the new library began in July 2006 and was completed in August 2007. Council awarded the construction contract for the project on December 18, 2007 to Farotte Construction. Construction started in February 2008 and currently is about 30% complete.

In February 1, 2008, Gould Evans, Inc.(GBI) merged with Baum Thornely Architects LLP to form Gould Evans Baum Thornley, Inc.(GEBT).

ANALYSIS

During the final design stage and initial construction stage, GEBT's scope of services expanded as described below:

The original project scope was to demolish the former library annex, utilize the interior spaces of the historic building for the new library and design an 8,000 square foot single story expansion around the historic building. There was little documentation available depicting how the historic building was constructed. To adequately define the scope of work during the design phase, significant disruption to library services would have occurred in order to gain sufficient information about the historic building. Disruptive activities include displacing library patrons, relocating staff and furniture, partial demolition of interior finishes, dust and noise. Staff opted not to pursue this type of investigation during design phase while the library remained open to the public. Instead, the design team made assumptions based upon the general construction practices in use during 1907, non-destructive evaluation, visual analysis and other information known during the design phase and proceeded with the work accordingly.

During the initial design phase, several critical issues were identified. GEBT was authorized to provide additional services to address those issues and refine the project scope. The \$20,000 earmarked for additional services in the original agreement was subsequently exhausted by GEBT primarily providing the following additional services

1. A thermal mass cooling analysis;
2. A limited field investigation of the existing historic building without disturbing library services to determine the parameters for structural design of this historic building;

3. A tree survey by a certified arborist; and
4. Engineering of soil treatment.

The \$15,000 fund in the original agreement earmarked for Reimbursable expenses was depleted before the end of design phase.

Final Design Phase:

While preparing the final design, GEBT brought to staff's attention the need for additional design work essential to the project and beyond the original scope of work. Public Works staff agreed that GEBT should perform the following additional work, which was not part of the original scope of services.

1. Analysis of structural impact due to the unstable soil condition and design of perimeter drain around the building;
2. Design and structural engineering of a raised floor slab in the new building to match the floor level at the existing historic building as a result of addressing community feedback;
3. Design and structural engineering of the historic building to meet the code standards in terms of seismic requirements applicable to historic structure;
4. Redesign of backroom and interior color changes after initial approval.

These issues were summarily mentioned in the award memorandum in December 2007. At that time, staff was unable to determine the exact costs of the additional services associated with the extra work listed above. While negotiations on scope and compensation were underway, GEBT proceeded with the additional work to minimize schedule impacts. Staff recommends in this Amendment increasing the fee of the design phase in the original agreement by \$88,000 to compensate GEBT for providing the extra design services listed above. The scope of services needs to be amended to reflect the additional work.

The Council Green Building Design policy was approved after the City had entered into the original agreement with GEBT. For the project to align with the policy and achieve LEED certification, GEBT services are required during the construction phase. Staff recommends in this Amendment to increase the original Additional Services fund by \$74,000 to cover the expenses specific to LEED certification and other architectural services. The scope of services needs to be amended to set forth the LEED certification services.

Construction Phase:

Based on information obtained during the early stages of construction phase, staff directed GEBT to provide further field investigation and redefine the minimal scope of work to address issues with the historic building. After the completion of investigation, GEBT proposed performing the additional design work related to the following items:

1. Replacing the uneven, thin cement slab with reinforced 5" thick concrete slab in basement;
2. Properly sealing all cracks in the basement's unreinforced concrete wall;
3. Properly preserving the deteriorated basement's concrete wall;
4. Replacing the basement ceiling and first floor wall/ceiling to allow access to ceiling attic and wall cavity for installation of electrical and insulation work;
5. Redesigning roof/wall structure base.

GEBT submitted a fee proposal of \$45,000 to perform the additional work listed above and proceeded with the work to help prevent construction delay. Staff evaluated the proposal and believes the proposal is reasonable. The scope of services needs to be amended to include this work.

In addition to the above, staff also recommends increasing the original Reimbursable expenses by \$30,000 to allow GEBT to efficiently administer the project during construction phase and extend the agreement term by seven months to accommodate schedule impacts due to the expanded scope of work.

The total increase recommended in this amendment is \$237,000. Given the current project status, staff believes that the negotiated fees and time extension are reasonable. Contractor started construction on February 14, 2008 with a projected completion in fall 2009.

EVALUATION AND FOLLOW-UP

Approval of this amendment will enable the consultant to be compensated for the additional services being provided. No further Council follow-up is anticipated at this time.

POLICY ALTERNATIVES

Alternative #1: Direct City staff to provide the required services with in-house resources.

Pros: Increased work opportunities for current staff.

Cons: Impacts the project schedule and the workload of the staff assigned to the project. Shifting existing staff resources to this project at this time could potentially delay this or other projects.

Reason for not recommending: Staff is currently fully utilized resulting in no available staff for this added work. The use of the architectural consultant to complete this work results in savings of time and funds due to the continuity of keeping the current project team on the project.

PUBLIC OUTREACH/INTEREST



Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

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- ☐ **Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ☐ **Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The approval of this agreement does not meet any of the criteria identified by the Sunshine Reforms Work Plan. This memorandum will be posted on the City's website for the September 16, 2008 Council agenda.

COORDINATION

This amendment to the agreement and this memorandum have been coordinated with the Departments of Library, Planning, Building and Code Enforcement and Finance; the City Manager's Budget Office and City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy, Economic Recovery section, in that it will help to stimulate construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$237,000

Project Delivery	\$1,782,448
Construction	6,772,488
Contingency	813,000
Public Art	125,000
Total Project Costs:	\$9,492,936
Prior Year Expenditures (anticipated through June 2008)	(8,442,936)
Remaining Project Costs:	\$1,050,000

2. COST ELEMENTS OF AGREEMENT:

	<u>Original</u>	<u>Add</u>	<u>Amended</u>
Phase 1 – Project Feasibility/Development	\$ 0	\$ 0	\$ 0
Phase 2 – Property and Land Acquisition	0	0	0
Phase 3 – Design	606,550	88,000	694,550
Phase 4 – Bidding & Contract Award	8,650	0	8,650
Phase 5 – Construction	140,900	45,000	185,900
Phase 6 – Post Construction	8,900	0	8,900

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Additional Services	20,000	74,000	94,000
Reimbursable Expenses	15,000	30,000	45,000
TOTAL AGREEMENT AMOUNT:	\$800,000	\$237,000	\$1,037,000

3. SOURCE OF FUNDING: 472 – Branch Libraries Bond Projects Fund
4. OPERATING COSTS: The net impact to General Fund (001) for operating and maintenance of the library is projected to be \$125,000 annually starting in 2009-2010. This funding is included in the 2009-2013 General Fund Forecast, released February 29, 2008.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Amt. For Contract	2008-2009 Proposed* Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$1,050,000			
Current Funding Available						
472	5155	East San Jose Carnegie Branch	\$991,000	\$237,000	V-240	06/24/08 Ord. No. 28349
Total Current Funding			\$991,000			
Funding in Future Years			\$59,000			
Total Funding for Project			\$1,050,000			

*The 2009-2009 Proposed Capital Budget was approved by the City Council on June 24, 2008.

CEQA

CEQA: Mitigated Negative Declaration, PP07-107
Historical Preservation Permit, HP07-005



KATY ALLEN
Director, Public Works Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, at (408) 535-8300.

Attachment
KJ:DT:an

